Kennecott Utah Copper 4700 Daybreak Parkway South Jordan, Utah 84095 801-569-7128 (0) 801-569-7192 (f)

Chris Kaiser Acting Manager - Environment

January 31, 2014

Mr. Paul Baker, Minerals Program Manager Division of Oil, Gas & Mining Utah Department of Natural Resources 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, Utah 84114-5801

Attn: Ms. Leslie Heppler

Re: Large Mining Operations 2013 Annual Report

January 1, 2013 to December 31, 2013

M/045/0004 Pine Canyon Mine

Dear Mr. Baker:

Please find attached Form MR-AR for permit number M/045/0004, Pine Canyon Mine.

KUC is also providing updated information regarding mining activities performed in 2013 (Attachment A) not specifically addressed on Form MR-AR for M/045/0004.

If you have any questions about these annual reports, please contact Thiess Lindsay at 801.569.6066.

Sincerely,

Chris Kaiser

Acting Manager - Environment

C: Dana Dean (UDOGM)

Upto B. 2

RECEIVED E-Mail FEB 0 3 2014

Div. of Oil, Gas & Mining

Attachment A

Title:

Update of Mining Activities Related to Pine Canyon Mine Operations (M/045/0004)

Context:

The division has been briefed in various capacities throughout the year regarding new and/or continued mining activities related to the Pine Canyon Mine operation.

Purpose:

The intent of this update is to provide the division with a brief summary of mining related activities completed or ongoing throughout the year.

Summary of Activities (not addressed on Form MR-AR):

KUC is scheduled to complete a surety cost basis update for M-045-0004 by Q4 2016.

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

LARGE MINING OPERATIONS 2013 PROGRESS REPORT January 1, 2013 to December 31, 2013

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

- 1. Mine Permit Number: *M/045/0004*
- 2. Mine Name: Pine Canyon Reclamation
- 3. Name of Operator/Permittee: Kennecott Utah Copper LLC (KUC)

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention.

Mine Location:

S1/2 SW1/4, Section 17;

N1/2 NW1/4, W1/2 NE1/4, SE1/4 NE1/4, E1/2 SE1/4 Section 20;

SW1/4 SW1/4, Section 21:

W1/4 NW1/4, Section 28;

NE1/4 NE1/4, Section 29;

Township 3 South, Range 3 West

5. Report the gross amount of ore mined and waste moved, and the disposition of the materials (onsite stockpiles, sold, waste pile, regraded, etc.):

Gross Ore Mined	0	Tons
Waste Material Moved	0	Tons
New Disturbance	0	Acres during

New Disturbance 0 Acres during 2013 Area Reclaimed 0 Acres during 2013

Total Disturbed Area 17.3 Acres*

Was the ore shipped off site? If not, where is the ore located?

No ore was generated or shipped off site. The mine was last active in 1983. Kennecott Utah Copper Corp. purchased the inactive property from Anaconda Minerals Co. in 1985.

Where is the waste located?

All waste (i.e. waste rock) is located on site.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

^{*}Total mine disturbance from the beginning of mining operations through the end of 2013.

No reclamation work was performed during the past year. The only disturbed acreage remaining in Pine Canyon are those sites identified in the 1988 reclamation plan that were left in place for long term use and cover an area of approximately 17.3 acres. These sites include the Pine Canyon tunnel portal, concrete flume, production shaft head frame, service shaft, access road, warehouse shop, culinary water system with water supply wells, power line to wells, fresh water tank and a small waste rock pile adjacent to the head frame which was left un-reclaimed due to the steep grade.

Water is pumped out of the Carr Fork Service Shaft and piped through the Pine Canyon/Parvenu Tunnel to the Bingham Canyon Mine where it is managed through established water collection systems. The water is being removed as part of the general pit dewatering program at the Bingham Canyon Mine and for use as process water at the Copperton Concentrator. The only other work was general systems maintenance on electrical and pumping equipment.

 Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.

Although there have been no significant changes since 1988, a map showing the remaining Pine Canyon facilities is attached (Map 454-T-0235).

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Chris Kaiser

Title of Operator: Acting Manager - Environment

Signature of Operator:

Date: January 31, 2014

ph

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